



DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-907]

Ultra-High Molecular Weight Polyethylene from the Republic of Korea: Final Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that ultra-high molecular weight polyethylene (ultra-high polyethylene) from Republic of Korea (Korea) is being, or is likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is January 1, 2019, through December 31, 2019. The final dumping margins of sales at LTFV are listed in the “Final Determination” section of this notice.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Ian Hamilton or Peter Skarlatos, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4798 or (202) 482-0324, respectively.

SUPPLEMENTARY INFORMATION:

Background

On October 6, 2020, Commerce published the *Preliminary Determination*, in which we also postponed the final determination to February 18, 2021.<sup>1</sup> A summary of the events that occurred since Commerce published the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum, which is hereby adopted by this notice.<sup>2</sup>

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<sup>1</sup> See *Ultra-High Molecular Weight Polyethylene from the Republic of Korea: Preliminary Affirmative Determination of Sales at Less Than Fair Value*, 85 FR 63095 (October 6, 2020) (*Preliminary Determination*).

<sup>2</sup> See Memorandum, “Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Ultra-High Molecular Weight Polyethylene from the Republic of Korea,” dated concurrently with this notice (Issues and Decision Memorandum).

### Scope of the Investigation

The product covered by this investigation is ultra-high polyethylene from Korea. For a complete description of the scope of the investigation, *see* Appendix I.

### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum. A list of the issues raised is attached to this notice as Appendix II. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

### Verification

Commerce was unable to conduct on-site verification of the information relied upon in making its final determination in this investigation. However, we took additional steps in lieu of an on-site verification to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act).<sup>3</sup>

### Changes Since the Preliminary Determination

Based on our analysis of both the comments received and the information received in lieu of on-site verification, we made certain changes to the margin calculations for KPIC. For a discussion of these changes, *see* the "Margin Calculation" section of the Issues and Decision Memorandum.

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<sup>3</sup> *See* Commerce's Letter, Antidumping Duty Investigation of Ultra-High Molecular Weight Polyethylene from the Republic of Korea, dated October 21, 2020; *see also* KPIC's Letter, "Ultra-High Molecular Weight Polyethylene from the Republic of Korea: Response to Questionnaire Issued In Lieu of Verification," dated November 2, 2020.

### All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated all-others rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and margins determined entirely under section 776 of the Act. Section 735(c)(5)(B) of the Act provides that if the estimated weighted-average dumping margins for all individually investigated exporters and producers are zero or *de minimis* or determined entirely under section 776 of the Act, then Commerce may use any reasonable method to establish the estimated all-others rate, including averaging the estimated weighted-average dumping margins determined for the individually investigated exporters and producers.

Commerce calculated an individual estimated weighted-average dumping margin for KPIC, the only individually examined exporter/producer in this investigation. Because the only individually calculated dumping margin is not zero, *de minimis*, or based entirely on facts otherwise available, the estimated weighted-average dumping margin calculated for KPIC is the margin assigned to all other producers and exporters, pursuant to section 735(c)(5)(A) of the Act.

### Final Determination

The final estimated weighted-average dumping margins are as follows:

<b>Exporter/Manufacturer</b>	<b>Weighted-Average Margin (percent)</b>
Korea Petrochemical Ind. Co., Ltd./KPIC Corporation	7.84
All Others	7.84

### Disclosure

We intend to disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding, in accordance with 19 CFR 351.224(b).

### Continuation of Suspension of Liquidation

For this final determination, for entries made by KPIC and the companies covered by the all-others rate, in accordance with section 735(c)(4)(A) of the Act, we will direct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all entries of subject merchandise, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after October 6, 2020, the date of publication of the *Preliminary Determination* of this investigation in the *Federal Register*.

Pursuant to section 735(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), we will instruct CBP to require a cash deposit for such entries of merchandise equal to the estimated weighted-average dumping margin as follows: (1) the cash deposit rate for the respondent listed above will be equal to the company-specific estimated weighted-average dumping margin determined in this final determination; (2) if the exporter is not the respondent identified above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be equal to the all-others estimated weighted-average dumping margin. These suspension of liquidation instructions will remain in effect until further notice.

### International Trade Commission (ITC) Notification

In accordance with section 735(d) of the Act, we will notify the ITC of the final affirmative determination of sales at LTFV. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of ultra-high

polyethylene from Korea no later than 45 days after our final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated, and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the “Continuation of Suspension of Liquidation” section.

#### Notification Regarding Administrative Protective Orders

This notice serves as a reminder to parties subject to APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This determination and this notice are issued and published pursuant to sections 735(d) and 777(i)(1) of the Act.

Dated: February 18, 2021.

Christian Marsh,  
Acting Assistant Secretary  
for Enforcement and Compliance.

## **Appendix I**

### **Scope of the Investigation**

The merchandise covered by the scope is ultra-high molecular weight polyethylene. Ultra-high molecular weight polyethylene is a linear polyethylene, in granular or powder form is defined by its molecular weight, as defined by Margolie's Equation, of greater than  $1.0 \times 10^6$  g/mol. Ultra-high molecular weight polyethylene may also be defined by its melt mass-flow rate of  $<0.1$  g/10 min, measured at 190°C and 21.6 kg load, based on the methods and calculations set forth in the International Organization for Standardization (ISO) standards 21304-1 and 21304-2. Ultra-high molecular weight polyethylene has a Chemical Abstract Service (CAS) registry number of 9002-88-4.

The scope includes all ultra-high molecular weight polyethylene in granular or powder forms meeting the above specifications regardless of additives introduced in the manufacturing process. Ultra-high molecular weight polyethylene blended with other products is included in the scope of this investigation where ultra-high molecular weight polyethylene accounts for more than 50 percent, by actual weight, of the blend and the resulting blend maintains a molecular weight, as defined by Margolie's Equation, of greater than  $1.0 \times 10^6$  g/mol and/or a melt mass-flow rate of  $<0.1$  g/10 min.

Excluded from the scope of the investigation is medical-grade ultra-high molecular weight polyethylene. Medical grade ultra-high molecular weight polyethylene has a minimum viscosity of 2000 ml/g at a concentration of 0.02% at 135°C (275°F) in decahydronaphthalene and an elongational stress of 0.2 MPa or greater. Medical-grade ultra-high molecular weight polyethylene is further defined by its ash and trace element content, which shall not exceed the following maximum quantities as set forth in ISO-5834-1: ash (125 mg/kg), titanium (40 mg/kg), calcium (5 mg/kg), chlorine (30 mg/kg), and aluminum (20 mg/kg). ISO 5834-1 further defines medical grade ultra-high molecular weight polyethylene by its particulate matter content, which requires that there shall be no more than three particles of contaminant per  $300 \pm 20$  g tested. Each of the above criteria is calculated based on the standards and methods used in ISO 5834-1.

Ultra-high molecular weight polyethylene is classifiable under the HTSUS subheadings 3901.10.1000 and 3901.20.1000. Although the HTSUS subheadings and CAS registry number are provided for convenience and customs purposes, the written description of the scope is dispositive.

## Appendix II

### List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Changes Since the *Preliminary Determination*
- IV. Discussion of the Issues

Comment 1: Whether Commerce's Final Determination Should be Provisional and Whether Commerce Provided Adequate Time for KPIC's Response to the in-Lieu of On-site Verification Questionnaire

Comment 2: KPIC's Home Market Freight Expense Adjustment

Comment 3: KPIC's Reported Product Codes and Product Characteristics

Comment 4: Ministerial Errors in the *Preliminary Determination*

Comment 5: Whether the Record Demonstrates that KPIC Accurately Reported its Actual Cost of Production (COP)

Comment 6: Whether Commerce Reasonably Adjusted KPIC's Ethylene COP

- V. Recommendation

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